

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	1 of 36
		POLICY & FORMS				
<b>THIS SCHEDULE DOES NOT NEED TO BE RETURNED.</b>						

### **SCHEDULE B**

#### **POLICY FORMS AND ENDORSEMENTS**

This schedule contains policy forms and endorsements which reflect the minimum coverage which will be accepted for award of this IFB.

In the event of any discrepancies between the insurance requirements delineated in these specifications and the model policy(ies) included herein, the bid specifications **shall** govern.

This schedule is for informational purposes only and not to be used in awarding the contract.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	2 of 36
		POLICY & FORMS				

## *State of Louisiana*

*Office of Risk Management*

*Self Insurance Fund*

*Boiler and Machinery Declaration*

*Office of the Governor*

*Division of Administration*

<b>Named Insured And Address</b>	State of Louisiana, All Agencies, Boards and Commissions C/o Office of Risk Management Post Office Box 94095, Capitol Station Baton Rouge, Louisiana 70804-9095	<b>Certificate No.:</b>	BM20042005			
		<b>Policy Period:</b>	12:01 A.M. Standard Time At Place Of Issuance			
			<b>From:</b>	July 1, 2004	<b>To:</b>	July 1, 2005

### **Description Of Premises**

All properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including but not limited to locations identified in the Schedule of Locations on file with the State of Louisiana, Office of Risk Management (ORM)

### **Coverage Provided**

#### Limit of Insurance

\$50,000 any one accident as regards direct damage to covered property, extra expense, water damage, consequential damage, ammonia contamination, business income, expediting expense and hazardous substance coverage.

### **Optional Coverage** *(Applicable Only When Entries Are Made In The Schedule Below)*

Excess coverage afforded as available from the commercial market.

### **Mortgage Holders**

#### Mortgage Holder Name and Mailing Address

It is agreed that for instances where state-owned property has a mortgage, the mortgagee is automatically considered the loss payee for coverage provided hereunder.

### **Deductible**

**\$1,000.00 deductible per accident as regards first party property damage only.**

### **Forms Applicable**

BM 00 25 06 95	BM 00 27 06 95	BM 00 29 06 95	BM 15 27 06 95	BM 99 33 09 88	IL 00 17 11 98	DA 1882
BM 00 26 06 95	BM 00 28 06 95	BM 15 26 06 95	BM 15 28 06 95	BM 99 36 11 85	IL 09 42 01 02	

*Be it understood and agreed that wherever the word company or State is used in this form or any form attached thereto, the words State Of Louisiana Self Insurance Program Fund shall be substituted therefore. Be it further agreed that the words policy and certificate shall be synonymous.*

*This Policy Is Subject To Cost Allocation  
Plan Of Office Of Risk Management*

\_\_\_\_\_  
*(Authorized Signature)*  
**Mr. J. S. Thompson, Jr.**  
*State Risk Director*

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	3 of 36
		POLICY & FORMS				

**BOILER AND MACHINERY  
BM 00 25 06 95**

## BOILER AND MACHINERY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. -- DEFINITIONS.

### **A. COVERAGE**

We will pay for direct damage to Covered Property caused by a Covered Cause of Loss.

#### **1. Covered Property**

Covered Property, as used in this Coverage Part, means any property that:

- a.** You own; or
- b.** Is in your care, custody or control and for which you are legally liable.

#### **2. Property Not Covered**

Covered Property does not include any:

- a.** Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells used in conjunction with an electronic computer or electronic data processing equipment;
- b.** Data stored on this media; or
- c.** Programming records used for electronic data processing or electronically controlled equipment;

whether or not the media or data is in actual use at the time of the "accident".

#### **3. Covered Cause of Loss**

A Covered Cause of Loss is an "accident" to an "object" shown in the Declarations. An "object" must be in use or connected ready for use at the location specified for it at the time of the "accident".

#### **4. Defense**

- a.** If there is damage to property of another in your care, custody or control and for which you are legally liable, that was directly caused by an "accident" to an "object," we will have the right and duty to defend you against any "suit" alleging liability for damage to that property. However, we have no duty to defend you against any "suit" alleging liability for damage to property not covered by this Coverage Form.
- b.** If a claim or "suit" is brought against you alleging that you are liable for damage to property of another that was caused by an accident" to an "object", we will either:
  - (1)** Settle the claim or "suit"; or
  - (2)** Defend you against the "suit" but keep for ourselves the right to settle it at any point.

#### **5. Coverage Extensions**

##### **a. Expediting Expenses**

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (1)** Make temporary repairs;
- (2)** Expedite permanent repairs; and
- (3)** Expedite permanent replacement.

We restrict the amount payable for Expediting Expenses as explained in the Limits of Insurance section of this Coverage Form.

##### **b. Automatic Coverage for A Newly Acquired Location**

We will automatically cover an "accident" to an "object" at a newly acquired location. This automatic coverage begins at the time you acquire the property and continues for 90 days, under the following conditions:

- (1)** You must inform us, in writing, of the newly acquired location within 90 days of the date you acquire it;

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	4 of 36
		POLICY & FORMS				

(2) The "object" must be in use or connected ready for use at the time of acquisition and throughout the period of automatic coverage and be of a type that would be included in any "Object" Group Description shown in the Declarations;

(3) The Limit of Insurance and Deductible amount will be the highest amounts shown in the Declarations for the same type of "object";

(4) We will not be liable under this coverage for Consequential Damage, Business Interruption, or any other indirect loss resulting from an "accident" to an "object"; and

(5) You agree to pay an additional premium as determined by us.

#### c. Supplementary Payments

We will pay, with respect to any claim or any "suit" we defend:

(1) All expenses we incur;

(2) The cost of bonds to release attachments, but only for bond amounts within the Limit of Insurance. We do not have to furnish these bonds;

(3) All reasonable expenses incurred by you at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$100 a day because of time off from work;

(4) All costs taxed against you in any "suit" we defend;

(5) Pre-judgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and

(6) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the Limit of Insurance shown in the Declarations.

These payments will not reduce the Limit of Insurance.

#### B. EXCLUSIONS

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### 1. Ordinance or Law

Any increase in loss caused by or resulting from the enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation. As used here, increase in loss also includes expenses incurred beyond those for which we would have paid if no "hazardous substance" had been involved in the "accident".

#### 2. Earth Movement

Any earth movement, including but not limited to earthquake, landslide, mudslide, subsidence or volcanic eruption.

#### 3. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

#### 4. War and Military Action

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

5. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

6. Lack of power, light, heat, steam or refrigeration.

7. An explosion. However, we will pay for direct loss or damage caused by an explosion of an "object" of a kind specified in a. through g. below, if covered by this insurance and described on an Object Definitions endorsement that is a part of this policy, and is not otherwise excluded in this Section B.:

a. Steam boiler;

b. Electric steam generator;

c. Steam piping;

d. Steam turbine;

e. Steam engine;

f. Gas turbine; or

g. Moving or rotating machinery when such explosion is caused by centrifugal force or mechanical breakdown.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	5 of 36
		POLICY & FORMS				

8. Fire or explosion that occurs at the same time as an "accident" or that ensues from an "accident". With respect to any electrical equipment forming a part of an "object", this exclusion is changed to read:

Fire or explosion outside the "object" that occurs at the same time as an "accident" or ensues from an "accident".

9. The explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere, whether or not the explosion is:
- Contributed to or aggravated by an "accident" to any part of an "object" that contains steam or water; or
  - Caused in whole or in part by an "accident" to an "object" or part of an "object".
10. An "Accident" that is the result of an explosion or fire.
11. An "accident" to any "object" while being tested.
12. Water or other means used to extinguish a fire, even when the attempt is unsuccessful.
13. An "accident" to:
- Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells used in conjunction with an electronic computer or electronic data processing equipment;
  - Data stored on this media; or
  - Programming records used for electronic data processing or electronically controlled equipment;
- whether or not the media or data is in actual use at the time of the "accident".
14. An "accident" that is caused by any of the following causes of loss if coverage for that cause of loss is provided by another policy of insurance you have:
- Aircraft or Vehicles;
  - Lightning;
  - Sinkhole Collapse;
  - Smoke;
  - Sprinkler Leakage; or
  - Weight of Snow, Ice or Sleet.
15. An "accident" that is caused by either of the following causes of loss:
- Windstorm or Hail; or
  - Freezing, caused by cold weather.

16. A delay in, or an interruption of, any business, manufacturing or processing activity.

17. Any other indirect result of an "accident" to an "object".

### C. LIMITS OF INSURANCE

- We will not pay more than the applicable Limit of Insurance shown in the Declarations for all direct damage to Covered Property that results from any "one accident".
- The following coverage limitations to our payment for direct damage to Covered Property are part of and not in addition to the Limit of Insurance for this Coverage Form.

#### a. Expediting Expenses

Our payment for Expediting Expenses will be limited to:

- \$25,000; or
- What is left of the Limit of Insurance after we pay your loss for Covered Property damaged by an "accident";

whichever is less.

#### b. Hazardous Substance Limitation

The following applies despite the operation of the Ordinance or Law Exclusion. This limitation does not apply to damage, contamination or pollution caused by ammonia.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" as a result of an "accident" to an "object", the most we will pay for any additional expenses incurred by you for clean up, repair or replacement or disposal of that property is \$25,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

#### c. Ammonia Contamination Limitation

If Covered Property is contaminated by ammonia as a result of an "accident" to an "object", the most we will pay for this kind of damage, including salvage expense, is \$25,000.

#### d. Water Damage Limitation

If Covered Property is damaged by water as a result of an "accident" to covered refrigerating or air conditioning vessels and piping, the most we will pay for this kind of damage, including salvage expense, is \$25,000.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	6 of 36
		POLICY & FORMS				

Any payment made under Section C will not increase if more than one insured is shown in the Declarations.

#### **D. DEDUCTIBLE**

We will not pay for loss or damage resulting from any "one accident" until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit of Insurance. If more than one .

"object" is involved in "one accident", only the highest Deductible will apply.

#### **E. BOILER AND MACHINERY CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

##### **1. Loss Conditions**

###### **(a) Abandonment**

There can be no abandonment of any property to us.

###### **(b) Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

**(1)** Pay its chosen appraiser; and

**(2)** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

###### **(c) Duties In the Event of Loss or Damage**

**1.** You must see that the following are done in the event of loss or damage:

**(a)** Give us a prompt notice of the loss or damage. Include a description of the property involved.

**(b)** As soon as possible, give us a description of how, when and where the loss or damage occurred.

**(c)** Allow us a reasonable time and opportunity to examine the property and premises before repairs are undertaken or physical evidence of the "accident" is removed. But you must take whatever measures are necessary for protection from further damage.

**(d)** Permit us to inspect the property and records proving the loss or damage. Also permit us to take samples of damaged property for inspection, testing and analysis.

**(e)** If requested, permit us to question you under oath, at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.

**(f)** Send us a signed, sworn statement of loss containing the information we request to settle the claim. You must do this within 60 days after our request.

**(g)** Cooperate with us in the investigation or settlement of the claim.

**(2)** We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

##### **d. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage subject to the Limit of Insurance.

##### **e. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

**(1)** There has been full compliance with all the terms of this Coverage Part; and

**(2)** The action is brought within 2 years after the date of the "accident"; or

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	7 of 36
		POLICY & FORMS				

- (3) We agree in writing that you have an obligation to pay for damage to Covered Property of others or until the amount of that obligation has been de terminated by final judgment or arbitration award. No one has the right under this policy to bring us into an action to determine your liability.

**f. Loss Payable Clause**

- (1) We will pay you and the loss payee shown in the Declarations for loss due to an "accident" to an "object", as interests may appear. The insurance covers the interest of the loss payee unless the loss results from conversion, secretion or embezzlement on your part.
- (2) We may cancel the policy as allowed by the Cancellation Condition. Cancellation ends this agreement as to the loss payee's interest.
- (3) If we cancel we will mail you and the loss payee the same advance notice.
- (4) If we make any payment to the loss payee, we will obtain their rights against any other party.

**g. Other Insurance**

- (1) You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- (2) If there is other insurance covering the same loss or damage, other than that described in (1) above, we will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not.

In no case will we pay more than the applicable Limit of Insurance.

**h. Privilege to Adjust with Owner**

In the event of loss or damage involving property of others in your care, custody or control, we have the right to settle the loss or damage with the owner of the property. A receipt for payment from the owners of that property will satisfy any claim of yours.

**i. Transfer of Rights of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them.

**j. Valuation**

- (1) We will pay you the amount you spend to repair or replace your property directly damaged by an "accident". Our payment will be the smallest of:

- (a) The Limit of Insurance;
- (b) The cost at the time of the "accident" to repair the damaged property with property of like kind, capacity, size and quality;
- (c) The cost at the time of the "accident" to replace the damaged property on the same site with other property:
- (i) Of like kind, capacity, size and quality; and
- (ii) Used for the same purpose;
- (d) The amount you actually spend that is necessary to repair or replace the damaged property.

- (2) As respects any "object", if the cost of repairing or replacing only a part of the "object" is greater than:

- (a) The cost of repairing the "object"; or
- (b) The cost of replacing the entire "object" on the same site;

we will pay only the smaller of (a) or (b).

The repair parts or replacement "object" must be:

- (c) Of like kind, capacity, size and quality; and
- (d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	8 of 36
		POLICY & FORMS				

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you; or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "accident", then we will pay only the smaller of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "accident".

Paragraph (4) does not apply to any time period beyond the 18 months that we agree to in writing.

## 2. General Conditions

### a. Additional Insured

If a person or organization is designated in this Coverage Part as an additional insured, we will consider them to be an insured under this Coverage Part to the extent of their interest.

### b. Bankruptcy

The bankruptcy or insolvency of you or your estate will not relieve us of an obligation under this Coverage Part.

### c. Liberalization

If we adopt any standard form revision for general use that would broaden coverage in this Coverage Part without additional premium, the broadened coverage will immediately apply to this Coverage Part if the revision is effective within 45 days prior to or during the policy period.

### d. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

### e. Object Group

All "objects" in use or connected ready for use and included in an "Object" Group Definition will be considered as individually described in the Declarations. The premiums for "objects" included in an "Object" Group Description will be adjusted as follows:

(1) We will base the initial premium for these "objects" on information we obtain. The rates charged will be those in effect on the first day of coverage.

(2) We will charge an additional premium for "objects" that are added to the policy after the effective date of this policy. The additional premium for these "objects" will be computed pro rata.

(3) We will allow a return premium for "objects" that are removed from the policy after the effective date of the policy. The return premium will be computed pro rata from the time the "objects" are disconnected.

## f. Policy Period, Coverage Territory

Under this Coverage Part:

(1) The "accident" must occur:

(a) During the Policy Period shown in the Declarations; and

(b) Within the coverage territory. (2) The coverage territory is:

(2) The coverage territory is:

(a) The United States of America; and

(b) Puerto Rico.

## g. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you relating to it. It is also void if you intentionally conceal or misrepresent a material fact concerning:

(1) This Coverage Part;

(2) The Covered Property; or

(3) Your interest in the Covered Property.

## h. Suspension

Whenever an "object" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "object". This can be done by delivering or mailing a written notice of suspension to:

(1) Your last known address; or

(2) The address where the "object" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "object".



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	9 of 36
		POLICY & FORMS				

If we suspend your insurance, you will get a pro rata refund of premium for that "object". But the suspension will be effective even if we have not yet made or offered a refund.

## F. DEFINITIONS

2. **"Accident"** means a sudden and accidental breakdown of the "object" or a part of the "object". At the time the breakdown occurs, it must manifest itself by physical damage to the "object" that necessitates repair or replacement.

None of the following is an "accident":

- a. Depletion, deterioration, corrosion or erosion;
- b. Wear and tear;
- c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- d. Breakdown of any vacuum tube, gas tube or brush;
- e. Breakdown of any electronic computer or electronic data processing equipment;
- f. Breakdown of any structure or foundation supporting the "object" or any of its parts; or
- g. The functioning of any safety or protective device.

Turbine Units may have a separate definition of "accident". If so, refer to the Declarations for the appropriate accident definition.

If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

2. **"Hazardous Substance"** means a substance declared to be hazardous to health by a governmental agency.
3. **"Object"** means the equipment shown in the Declarations. Full description of specific "object" categories are found in the Object Definitions endorsement attached to this Coverage Form.
4. **"One Accident"** means:
 

If an initial "accident" causes other "accidents" all will be considered "one accident". All "accidents" at any one location that manifest themselves at the same time and are the result of the same cause will be considered "one accident".
5. **"Suit"** means a civil proceeding and includes:
  - a. An arbitration proceeding in which damages are claimed and to which you must submit or do submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which damages are claimed and to which you submit with our consent.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	10 of 36
		POLICY & FORMS				

**Policy Change Number: 1**

(This Endorsement Changes the Policy. Please Read Carefully)

**Coverage Parts Affected:**

Form Number BM 00 25 06 96 – Boiler and Machinery Coverage Form

**ADMENDMENTS/CHANGES**

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**Page 1 of 7, Item A.1. (Covered Property)** is amended to include the following verbiage:

"Covered property **does not** include mechanical equipment of bridges and/or roadways."

"Covered property **does include** the following structures which are not owned by the insured but for which the insured has an insurable interest. All buildings/structures owned by the Louisiana State University Foundation, the Louisiana State University Alumni Federation, the University of New Orleans Alumni Association, the Louisiana Animal Breeders Association, Louisiana State University Law Alumni Association, and All Affiliated, Associated or Subsidiary Organizations, Companies, Partnerships, or Corporations as now or hereafter exist. The only exception being the Louisiana State University Tiger Athletic Foundation which is excluded."

**Page 3 of 7, Exclusion 16** is deleted in its entirety.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	11 of 36
		POLICY & FORMS				

**BOILER AND MACHINERY**  
**BM 00 26 06 95**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OBJECT DEFINITIONS NO. I - PRESSURE AND REFRIGERATION OBJECTS

This endorsement modifies insurance provided under the following:

### BOILER AND MACHINERY COVERAGE FORM

**1. BOILERS, FIRED VESSELS AND ELECTRIC STEAM GENERATORS**

**a. "Object" means:**

Any boiler, fired vessel or electric steam generator shown in the Declarations and includes any:

- (1) Steel economizer used solely with them; and
- (2) Metal steam boiler piping, valves, fittings, traps and separators; but only if they:
  - (a) Are on your premises or between parts of your premises; and
  - (b) Contain steam or its condensate generated in whole or in part in an "object"; and
- (3) Metal feed water piping between any steam boiler and a feed pump or injector.

**b. "Object" does not mean**

- (1) Any part not containing steam or water;
- (2) Any boiler setting;
- (3) Any insulating or refractory material;
- (4) Any piping not containing steam or its condensate;
- (5) Any buried piping;
- (6) Piping, radiators, coils, vessels or apparatus, other than those included above;
- (7) Any reciprocating or rotating machine; or
- (8) Any electrical apparatus.

**c. Any of the following vessels listed below are included within the provisions of this section when used with an "object":**

- (1) Condensate return tank;

- (2) Cushion or expansion tank used with a hot water heating boiler; and

- (3) Indirect water heater tank used for hot water supply service but only if it:

- (a) Is directly in the water circulating system of the "object" it is used with; and

- (b) Does not form part of a storage water tank

- d. For any boiler or fired vessel, the furnace of the "object" and the gas passages from there to the atmosphere will be considered as outside the "object".

- e. An "object" using a heat transfer medium other than water or steam will be covered as though the medium were water and steam.

**2. UNFIRED VESSELS**

- a. "Object" means any unfired vessel shown in the Declarations. However, "object" does not include any:

- (1) Electric steam generator;
- (2) Part of a vessel that is not under:
  - (a) Pressure of the contents of the vessel; or
  - (b) Internal vacuum;
- (3) Insulating or refractory material;
- (4) Reciprocating or rotating apparatus within or forming a part of the vessel;
- (5) Electrical apparatus within or forming a part of the vessel;
- (6) Piping leading to and from the vessel;
- (7) Buried vessel or piping;
- (8) Cylinder containing a movable plunger or piston; or

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	12 of 36
		POLICY & FORMS				

(9) Vessel, radiator, inductor, convector or coil connected to or used with a refrigerating or air conditioning system.

b. We will consider that the - connected ready for use - requirement of this Coverage Form and its endorsements has been met by any "object" in this section if that "object" is:

(1) Periodically filled, moved, emptied and refilled in the course of its normal service; and

(2) Used for storage of gas or liquid.

### 3. REFRIGERATING AND AIR CONDITIONING VESSELS AND PIPING

a. "Object" means any refrigerating or air conditioning vessel and metal piping shown in the Declarations consisting of:

(1) Interconnected vessels, coils and piping that contain refrigerant;

(2) Vessels heated directly or indirectly that:

(a) Form part of an absorption type system; and

(b) Function as a generator, refrigerator or concentrator; and

(3) Valves and fittings.

When the "object" is an absorption system, it also includes hermetic solution pumps, hermetic evaporator refrigerant pumps and purge pumps (or compressors) together with their driving electric motors.

If the Declarations show - Additional Vessels and Piping Included - "object" will also include:

(4) Vessels, radiators, coils and all interconnecting metal piping along with their valves and fittings, that are connected to or used with the system and within which steam, water, brine or other solution is circulated for cooling, humidity control or space heating.

When a vessel uses a heat transfer medium other than water or steam, we will consider the medium or its vapor as substitutes for the words - water or steam - as used in this section.

b. However, "object" does not include any:

(1) Boiler;

(2) Steam piping;

(3) Reciprocating or rotating machine or apparatus;

(4) Electrical apparatus except as included in paragraph (3) above;

(5) Any hose, flexible device or nonmetallic pipe connected to an electronic computer or electronic data processing equipment;

(6) Vessel, cooling tower, reservoir or other source of supply of cooling water for a condenser or compressor as well as any water piping leading to or from such a source of supply; or

(7) Buried vessel or piping.

### 4. AUXILIARY PIPING

a. "Object" means any metal piping shown in the Declarations including any valve, fitting, trap or separator on the piping.

b. However, "object" does not include any:

(1) Radiator, convector, coil or other vessel or apparatus connected to that piping; or

(2) Buried piping.

### 5. SMALL COMPRESSING AND REFRIGERATING UNITS

a. "Object" means any small compressing or refrigerating unit shown in the Declarations (not over 15 h.p. - maximum nameplate rating).

b. However, "object" does not include any wiring or piping leading to and from the unit.

### 6. AIR CONDITIONING UNITS

a. "Object" means any air conditioning unit shown in the Declarations (not over 600,000 Btu per Hour - maximum nameplate rating) and including any:

(1) Interconnected vessels, radiators, inductors, convectors and coils that make use of a refrigerant, steam, water, brine or other solution and form part of the unit;

(2) Interconnecting metal piping, valves and fittings containing only a refrigerant, water, brine or other solution;

(3) Vessels heated directly or indirectly that:

(a) Form part of an absorption type unit; and

(b) Function as a generator, regenerator or concentrator,

(4) Compressors, pumps, fans and blowers used solely with the unit together with their driving electric motors; and

(5) Control equipment used solely with the unit.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	13 of 36
		POLICY & FORMS				

**b.** However, "object" does not include any:

- (1)** Boiler;
- (2)** Steam piping;
- (3)** Vessels, cooling tower, reservoir or other source of supply of cooling water for a condenser or compressor, or water piping leading to or from such a source of supply;
- (4)** Wiring or piping leading to or from the unit; or
- (5)** Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	14 of 36
		POLICY & FORMS				

## BOILER AND MACHINERY

BM 00 27 06 95

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## OBJECT DEFINITIONS NO. 2 - MECHANICAL OBJECTS

This endorsement modifies insurance provided under the following:

### BOILER AND MACHINERY COVERAGE FORM

#### 1. DEEP-WELL PUMP UNITS

a. "Object" means any deep-well pump unit shown in the Declarations including any:

(1) Nonrotating equipment used solely to start, stop or control the driving electric motor of the unit; and

(2) Electrical conductors connecting the equipment and motor.

b. However, "object" does not include any:

(1) Other electrical conductor;

(2) Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;

(3) Piping leading to or from the unit;

(4) Mechanism, appliance or shaft connected to the unit, or

(5) Well casing.

#### 2. MISCELLANEOUS MACHINES, GEAR WHEELS AND ENCLOSED GEAR SETS

a. "Object" means any machine shown in the Declarations including any control apparatus mounted on that machine.

b. However, "object" does not mean any:

(1) Mechanism or other apparatus connected to the machine, other than control apparatus included above;

(2) Shaft on which a machine described as a gear wheel is mounted or the bearings on any such shaft;

(3) Electrical apparatus;

(4) Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;

(5) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, chain, belt, clutch plate, brake pad or any part or tool subject to frequent, periodic replacement; or

(6) Piping or duct leading to or from the machine.

#### 3. ENGINES, PUMPS, COMPRESSORS, FANS AND BLOWERS

a. "Object" means any machine shown in the Declarations including any:

(1) Auxiliary or control apparatus mounted on that machine or the bed or frame of that machine;

(2) Auxiliary electric motor or other apparatus used solely to rotate that machine for starting or maintenance purposes;

(3) Lubricating oil pump or fuel pump and its driving electric motors if used solely for that machine; and

(4) When the machine is a reciprocating pump or a reciprocating compressor and:

(a) Forms an integral part of a steam engine or internal combustion engine; or

(b) Is connected to such an engine by coupling clutch or gear set; then

(c) "Object" also includes the driving engine and any interconnecting coupling, clutch or gear set.

b. However, "object" does not include any:

(1) Apparatus connected to the machine, other than auxiliary or control apparatus included under paragraph a.(1) above;

(2) Electrical apparatus other than electric motors included under paragraphs a.(2) and (3) above;



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	15 of 36
		POLICY & FORMS				

- (3) Air tank,
- (4) Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;
- (5) Condenser or its adapter;
- (6) Piping or duct leading to or from the machine; or
- (7) Well casing.

#### 4. WHEEL AND SHAFTING

"Object" means any wheel (except gear wheels) or shaft shown in the Declarations including any:

- a. Rotating part or parts of any wheel, pulley, disc or coupling excluding the shaft it is mounted on, any cutting blade; or the bearings for that shaft and
- b. Rotating shaft and its couplings and bearings.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	16 of 36
		POLICY & FORMS				

**BOILER AND MACHINERY  
BM 00 28 06 95**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **OBJECT DEFINITIONS NO. 3 - ELECTRICAL OBJECTS**

This endorsement modifies insurance provided under the following:

### **BOILER AND MACHINERY COVERAGE FORM**

#### **1. ROTATING ELECTRICAL MACHINES, TRANSFORMERS, AND INDUCTION FEEDER REGULATORS**

**a.** "Object" means any rotating electrical machine, transformer or induction feeder regulator shown in the Declarations. For rotating electrical machine, "object" also includes any:

- (1)** Exciter that is :
  - (a)** Mechanically connected to that machine; and
  - (b)** Used solely for excitation of that machine;
- (2)** Shaft of that machine and any gear, wheel or magnetic brake mechanism on the shaft or on the frame of that machine, if the shaft does not form an integral part of any other machine;
- (3)** Continuous shaft that:
  - (a)** Forms an integral part of that machine; and
  - (b)** Also forms an integral part of another rotating electric machine including any gear, wheel or magnetic brake mechanism on the shaft or on the frame of that machine;
- (4)** Shaft coupled to that machine including the couplings and bearings on it, if there is no mechanism other than a coupling on the shaft, and
- (5)** Nonrotating equipment used solely to start, stop or control any motor shown in the Declarations including all electrical conductors connecting such equipment with that motor provided that control equipment does not form a part of a switchboard, cubicle or bus structure controlling any electrical machine other than the motor.

**b.** However, "object" does not include any:

- (1)** Electrical conductor or piping leading to or from the "object; or
- (2)** Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects.

#### **2. MISCELLANEOUS ELECTRICAL APPARATUS**

**a.** "Object" means any electrical apparatus shown in the Declarations including any:

- (1)** Rotating electrical machine used solely to operate a part of the apparatus; and
- (2)** Instrument transformer.

**b.** However, "object" does not include any:

- (1)** Rotating electrical machine other than a machine included above;
- (2)** Transformer other than an instrument transformer included above;
- (3)** Induction feeder regulator,
- (4)** Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;
- (5)** Solid state rectifier unit;
- (6)** Conduit;
- (7)** Electrical conductor or piping leading to or from such apparatus; or
- (8)** Cabinet or compartment in which any part of the apparatus is installed.

#### **3. SOLID STATE RECTIFIER UNITS**

**a.** "Object" means any solid state rectifier unit shown in the Declarations including any:

- (1)** Rectifier;
- (2)** Transformer used solely with the unit, other than an arc-furnace transformer;
- (3)** Heat exchanger used solely with the unit together with its interconnected vessels, coils and piping;

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	17 of 36
		POLICY & FORMS				

- (4) Cooling fan or pump and its driving electric motor if used solely with the unit; and
  - (5) Electrical conductors connecting parts of the unit.
- b.** However, "object" does not mean any:
- (1) Electrical conductor or piping leading to or from the unit the unit;
  - (2) Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;
  - (3) Equipment or apparatus other than that listed in paragraphs **a.(1)** through **(5)** above; or
  - (4) Cabinet or compartment on or in which any part of the unit is installed.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	18 of 36
		POLICY & FORMS				

**BOILER AND MACHINERY  
BM 00 29 06 95**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **OBJECT DEFINITIONS NO. 4 - TURBINE OBJECTS**

This endorsement modifies insurance provided under the following:

### **BOILER AND MACHINERY COVERAGE FORM**

**1. Object”:**

**a.** Means any turbine unit shown in the Declarations including any:

- (1)** Turbine;
- (2)** Combustor, precooler, intercooler, regenerator, or heat exchanger of a gas turbine unit;
- (3)** Electric generator, pump, compressor, fan, blower, wheel or gear on;
  - (a)** Any shaft of the driving turbine or turbines; or
  - (b)** A shaft connected to any of the driving turbines by a coupling, clutch or gear set;
- (4)** Mechanical or hydraulic governing mechanism together with any electric motor used solely with the governing mechanism;
- (5)** Auxiliary apparatus mounted on the unit or the bed or frame of the unit;
- (6)** Lubricating oil pump, fuel pump or pump for circulating coolant, if used solely for the unit and any machine driving such a pump;
- (7)** Auxiliary electric motor, steam turbine or other apparatus used solely to rotate the driving turbine or turbines for starting or maintenance purposes;
- (8)** Apparatus used solely to scavenge a gas turbine unit;
- (9)** Shaft that forms a part of the unit or connects parts of the unit together with any coupling, clutch, bearing, gear or gear set on such a shaft; and
- (10)** Interconnecting wiring, piping or ducts between parts of the unit and mounted on the unit.

**b.** Does not include any:

- (1)** Machine or other apparatus other than those included in paragraphs **a.(1)** through **(10)** above;
- (2)** Electronic computer or electronic data processing equipment, unless used to operate one or more insured objects;
- (3)** Wiring, piping or ducts leading to or from the unit;
- (4)** Condenser, its connecting pipe or adapter;
- (5)** Penstock or draft tube; or
- (6)** Boiler using exhaust gases from any gas turbine unit.

**2.** There are two definitions of “accident” for turbine units:

**a.** When the word - BREAKDOWN - is shown in the Declarations, the following definition of “accident” applies to those units:

**“Accident”** means a sudden and accidental breakdown of the “object” or a part of the “object”. At the time the breakdown occurs, it must manifest itself by physical damage to the “object” that necessitates repair or replacement.

None of the following is an “accident”:

- (1)** Depletion, deterioration, corrosion or erosion;
- (2)** Wear and tear;
- (3)** Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (4)** Breakdown of any vacuum tube, gas tube or brush;
- (5)** Breakdown of any electronic computer or electronic data processing equipment;

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	19 of 36
		POLICY & FORMS				

- (6) Breakdown of any structure or foundation supporting the "Object" or any of its parts;
  - (7) The functioning of any safety or protective device; or
  - (8) The cracking of any part of a gas turbine exposed to the products of combustion.
- b. When the word - **EXPLOSION** - is shown in the Declarations, the following definition of "accident" applies to those units:

"Accident" means a sudden and accidental:

- (1) Tearing asunder of any casing, combustor, duct, piping, precoolers, intercoolers, regenerator, or heat exchanger, forming a part of a gas turbine, caused by pressure of gas, liquid or vapor therein, but not the tearing asunder of any gasket, rupture disc, shaft seal or seal strip; and cracking does not mean tearing asunder;
- (2) Breaking of the casing of any driving turbine, or the casing of any driven compressor or any auxiliary turbine of the "object", into two or more separate parts, but not breaking of any gasket, rupture disc, shaft seal, seal strip or diaphragm; or

- (3) Breaking of any spindle, rotor or shaft of the "object, into two or more separate parts, but not the breaking of any blade, bucket or vane whether or not it forms a part of such spindle, rotor or shaft, of any shroud ring or other fastening, or of any gear or coupling, nor the loosening of any assembled parts, nor the breaking or loosening of any electrical conductor or its insulation, or of any band wire, retaining ring, wedge, or their fastenings.

We will not pay for the repair or replacement of any electrical conductor or its insulation, or of any band wire, retaining ring wedge, or their fastening, if that repair or replacement is made necessary as a result of any "accident" to an "object".

**"Accident" does not mean\***

- a. Depletion, deterioration, corrosion, or erosion of material;
- b. Wear and tear; or
- c. The breaking of any structure or foundation supporting the "object" or any part of the "object".

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	20 of 36
		POLICY & FORMS				

IL 00 17 11 98

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	21 of 36
		POLICY & FORMS				

POLICY NUMBER:

**BOILER AND MACHINERY**  
**BM 15 26 06 95**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESS INTERRUPTION - ACTUAL LOSS SUSTAINED COVERAGE

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE FORM

### SCHEDULE\*

**Location(s):** All properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including but not limited to locations identified in the Schedule of Locations on file with the State of Louisiana, Office of Risk Management (ORM)

**Limit of Loss**

**Dollars (\$ \*\*\* )**  
(\*\* See Declaration Page)

\_\_\_\_\_ Ordinary Payroll Coverage (applies only when an "X" is inserted)

<b>Deductible</b>	Time	Days/Hours	( _____ )
-------------------	------	------------	-----------

(See Declaration Page)		Dollars	(\$ _____ )
------------------------	--	---------	-------------

		Multiple of Daily Value	( _____ )
--	--	-------------------------	-----------

Optional Annual Report Date: \_\_\_\_\_

**Covered "Objects"**

Including, but not limited to, Schedule of Locations maintained by ORM

\*Information required to complete this schedule, if not shown on this endorsement, will be shown in the Declarations.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	22 of 36
		POLICY & FORMS				

## A. COVERAGE

1. We will pay you for your interruption of business during the "period of restoration" provided all of the following requirements are met:
  - a. The interruption must be caused solely by an "accident" to an "object";
  - b. The loss must be as a result of direct physical damage to Covered Property;
  - c. The "accident" must occur during the time this coverage is in force;
  - d. The "object" that has the "accident" must be:
    - (1) Specified as covered in the Business Interruption Schedule;
    - (2) (2) At a "location" specified in the Business Interruption Schedule; and
    - (3) In use or connected ready for use.
2. We will pay:
  - a. Your "actual loss" from a total or partial interruption of business; and
  - b. The reasonable extra expense incurred by you or us to reduce or avert interruption of business. The amount we pay for extra expense is limited to the extent that our payment under paragraph a. is reduced.

We will consider the actual experience of your business before the "accident" and the probable experience you would have had without the "accident" in determining the amount of our payment.

3. Ordinary Payroll Coverage - If Ordinary Payroll Coverage is shown in the Business Interruption Schedule, the words - but not your ordinary payroll expense - are deleted from the definition of "actual loss".

## B. EXCLUSIONS

All the Exclusions of the Boiler and Machinery Coverage Form apply to loss or expense under this endorsement except:

1. Lack of power, light, heat, steam or refrigeration; or
2. A delay in, or interruption of, any business, manufacturing or process activity.

In addition we will not pay for any loss or expense due to:

3. The interruption of business that would not or could not have been carried on if the "accident" had not occurred;

4. Your failure to use due diligence and dispatch and all reasonable means to resume business at the "location(s)" shown in the Schedule; and
5. The suspension, lapse or cancellation of a contract following an "accident" extending beyond the time business could have resumed if the contract had not lapsed, been suspended or cancelled.

## C. DEDUCTIBLE

### 1. Time Deductible

If a time deductible is shown in the Business Interruption Schedule, we will not be liable for any loss under this endorsement occurring during that specified time period immediately following the Commencement of Liability.

### 2. Dollar Deductible

If a dollar deductible is shown in the Business Interruption Schedule, we will first subtract the deductible amount shown in the schedule from the amount we would otherwise pay under this endorsement. We will then pay the amount of loss or expense in excess of the deductible, up to the applicable Limit of Loss.

### 3. Multiple of Daily Value Deductible

If a multiple of daily value is shown in the Business Interruption Schedule, we will first subtract from the total amount we would otherwise pay, a dollar amount that is equal to the daily value during the period of interruption at the "location(s)" where the "loss" occurred, multiplied by the multiple specified on the Schedule. The daily value is the amount that would have been earned each working day had no "accident" occurred.

## D. CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Boiler and Machinery Conditions:

### 1. Adjustment of Premium

Upon receipt of the annual reports you furnish us, we will determine the amount of premium we earned for the past year. If the amount determined is more than the premium we have already charged for this coverage, you must pay the difference. If the amount determined is less than the premium we originally charged, we will refund the difference. However, the amount we return will not exceed 75% of the premium we originally charged.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	23 of 36
		POLICY & FORMS				

## 2. Annual Reports

You must complete the Business Interruption - Report of Values worksheet once each year. Your initial report is due on the effective date of the policy. Subsequent reports are due on each anniversary of the policy, unless a date is shown on the Schedule. Your reports must reach us within three months of these due dates.

Statements of value may be substituted for the completed Business Interruption - Report of Values worksheet if the values on the statements are the same as those required by the worksheet.

## 3. Coinsurance

This Coinsurance condition applies only if we did not receive your due report within three months of the due date.

We will not pay the full amount of any loss if the Business Interruption "annual value" at the time of loss is greater than the "estimated annual value" shown in your previous report. Instead, we will determine the most we will pay using the following steps:

- a. Divide the "estimated annual value" last reported to us by the "annual value" at the time of the "accident";
- b. Multiply the total amount of the covered loss by the figure determined in paragraph a. above;
- c. Subtract the applicable Deductible from the amount determined in paragraph b. above;

The resulting amount or the Limit of Loss for Business Interruption, whichever is less, is the most we will pay. We will not pay for the remainder of the loss.

If more than one "location" is shown in the Schedule for this coverage, this Coinsurance Condition applies separately to each "location".

## 4. Notice of Accident and Commencement of Liability

At our expense, you must immediately give notice of "accident" to any of our offices. You must confirm that notice in writing. Our liability under this endorsement starts:

- a. At the time of the "accident"; or
- b. 24 hours before we receive notice of "accident";

whichever is later.

## 5. Payment Limits

Payment for loss or expense under this endorsement is subject to the following:

- a. Our total payment for any "one accident" for interruption of business or expenses will not exceed the Limit of Loss shown in the Business Interruption Schedule. This Limit of Loss is not part of the Limit of Insurance; it is a separate limit;
- b. Our payment will not increase if more than one insured is shown on the Declarations; and
- c. Loss or expense under this coverage from an "accident" that occurs during the time this endorsement is in force may continue beyond the termination or expiration of this endorsement. Our liability for that loss or expense is not limited by the termination or expiration:

## 6. Reducing Your Loss

As soon as possible after an "accident" you must.

- a. Resume business, partially or completely; and
- b. Make up lost business within a reasonable period of time. This reasonable period does not necessarily end when operations are resumed.
- c. Make use of every available means including:
  - (1) Working extra time or overtime either at the "location" or at another location you acquire to carry on the same operations;
  - (2) The property or services of other concerns; and
  - (3) Merchandise or other property such as surplus machinery, duplicate parts, equipment, supplies and surplus or reserve stock you own, control or can obtain.

## E. DEFINITIONS

1. "Actual loss" means the sum of:

- a. The net profits you fail to earn because of business interruption resulting from an "accident", and

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	24 of 36
		POLICY & FORMS				

**b.** Whatever part of the following fixed charges and expenses the business failed to earn but would have earned if there had been no "accident":

- (1)** Salaries and wages of officers, executives, employees under contract and other essential employees, as well as pensions and directors' fees but not your ordinary payroll expense; and
- (2)** Manufacturing, selling, administrative expenses and any other items contributing to your overhead expenses.

In calculating the "actual loss", we will take into account the actual experience of your business before the "accident" and the probable experience you would have had without the "accident".

- 2.** "Location" means the premises at the address shown on the Business Interruption Schedule.
- 3.** "Annual Value" means the sum of net profits and "fixed charges and expenses" that would have been earned had the "accident" not occurred.
- 4.** "Estimated Annual Value" means the sum of net profits and "Fixed charges and expenses" as estimated by you in the most recent annual report.

**5.** "Fixed charges and expenses" means the sum of the following:

- a.** Salaries and wages of officers, executives, employees under contract and other essential employees, as well as pensions and directors' fees but not your ordinary payroll expense; and
- b.** Manufacturing, selling, administrative expenses and any other items contributing to your overhead expenses.

**6.** "Period of Restoration" means the period of time that:

- a.** Begins at the time of the commencement of liability; and
- b.** Ends 5 consecutive days after the date when the damaged property at the described "location" is repaired or replaced.

"Period of Restoration" does not include any increased time period required by, caused by or resulting from enforcement of any item cited by the Ordinance or Law exclusion in the Boiler and Machinery Coverage Form.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	25 of 36
		POLICY & FORMS				

POLICY NUMBER:

**BOILER AND MACHINERY**  
**BM 15 27 06 95**

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT  
CAREFULLY

## EXTRA EXPENSE

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE FORM

### SCHEDULE\*

**Location(s)** All properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including but not limited to locations identified in the Schedule of Locations on file with the State of Louisiana, Office of Risk Management (ORM)

**Limit of Extra Expense** (See Declaration Page Dollars (\$\_\_\_\_\_))  
**Deductible** (See Declaration Page Dollars (\$\_\_\_\_\_))

### Covered "Objects"

Including, but not limited to, Schedule of Locations maintained by ORM

### Maximum Payment

(% of Limit of Extra Expense)

### Period of Restoration

100 %  
\_\_\_\_\_  
%  
\_\_\_\_\_  
%  
\_\_\_\_\_  
%  
\_\_\_\_\_  
%  
\_\_\_\_\_  
%  
\_\_\_\_\_  
%

Less than one month  
more than one, but less than 2 months  
more than 2, but less than 3 months  
more than 3, but less than 4 months  
more than 4, but less than 5 months  
more than 5, but less than 6 months  
more than 6, but less than 7 months  
more than 7, but less than 8 months

\*Information required to complete this schedule, if not shown on this endorsement, will be shown in the Declarations

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	26 of 36
		POLICY & FORMS				

## A. COVERAGE

We will pay you for your "Extra Expense" during the "Period of Restoration" provided all of the following requirements are met:

- a. The "Extra Expense" must be caused solely by an "accident" to an "object",
- b. The loss must be as a result of direct physical damage to Covered Property;
- c. The "accident" must occur during the time this coverage is in force;
- d. The "object" that has the "accident" must be:
  - (1) Specified as covered in the "Extra Expense" Schedule;
  - (2) At a "location" specified in the "Extra Expense" Schedule; and
  - (3) In use or connected ready for use.
- e. We will also pay the "Extra Expense" you necessarily incur to operate your business as nearly "normal" as practicable during the "restoration period" following an "accident".

## B. EXCLUSIONS

1. All the Exclusions in the Boiler and Machinery Coverage Form apply to "Extra Expense" under this endorsement except:  
Lack of power, light, heat, steam or refrigeration.
2. In addition we will not pay for any "Extra Expense" due to:
  - a. The interruption of business that would not or could not have been carried on if the "accident" had not occurred;
  - b. Your failure to use due diligence and dispatch and all reasonable means to operate your business as nearly "normal" as practicable at the "location(s)" shown in the Schedule; and
  - c. The suspension, lapse or cancellation of a contract following an "accident" extending beyond the time business could have resumed if the contract had not lapsed, been suspended or cancelled.

## C. DEDUCTIBLE

If a dollar deductible is shown in the Extra Expense Schedule, we will first subtract the Deductible amount shown in the Schedule from the amount we would otherwise pay under this endorsement.

## D. CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Boiler and Machinery Conditions:

### 1. Notice of Accident and Commencement of Liability

At our expense, you must immediately give notice of "accident" to any of our offices. You must confirm any notice in writing. Our liability under this endorsement starts:

- a. At the time of the "accident"; or
- b. 24 hours before we receive notice of "accident";

whichever is later.

### 2. Payment Limits

Payment for "Extra Expense" under this coverage is subject to the following:

- a. The Limit of Extra Expense shown in the Schedule multiplied by the percentage of the Limit of Extra Expense specified for the length of the "Period of Restoration":

In the event that:

- (1) Your "Period of Restoration" exceeds the total "months" for which a percentage is entered; and
- (2) Our "Extra Expense" payments have not exhausted your insurance under this "Extra Expense" endorsement;

the unexhausted part of the Limit of Extra Expense is available for the remainder of the "Period of Restoration".

- b. Our total payment for any "one accident" for "Extra Expense" will not exceed the Limit of Extra Expense shown in the Schedule. The Limit of Extra Expense is not a part of the Limit of Insurance; it is a separate Limit.
- c. Our "Extra Expense" payment will not increase if more than one insured is named in the Declarations.



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	27 of 36
		POLICY & FORMS				

- d. Extra Expense" from an "accident" that occurs during the time this endorsement is in force may continue beyond the termination or expiration of this endorsement. Our liability for such "Extra Expense" is not limited by the termination or expiration.
- e. The amount of our "Extra Expense" payment will reflect a deduction for the salvage value of any substitute or temporary equipment remaining after you resume normal operations.

## E. DEFINITIONS

### 1. "Extra Expense":

- a. Means the cost of operating your business during the "Period of Restoration" minus what the cost of operating it would have been had no "accident" occurred. Included in "Extra Expense" are necessary emergency services, merchandise or other property of other concerns.
- b. May also include all or part of the cost of repairing or replacing property damaged or destroyed by an "accident". To qualify as "Extra Expense", that cost must be incurred for the purpose of minimizing the total of our "Extra Expense". The amount that we would include in our "Extra Expense" payment would be equal to:
  - (1) The savings in "Extra Expense" you have enabled us to realize by having the repairs or replacements made; or

- (2) The amount of "Extra Expense" you paid to have the repairs or replacements made;

whichever is less.

### c. Does not mean:

- (1) Loss of income; or
- (2) Expense in excess of what is necessary to keep your business operating as nearly "normal" as practicable.

- 2. "Location" means the premises at the address shown on the Extra Expense Schedule.
- 3. "Month" means a period of 30 consecutive days.
- 4. "Normal" means the condition that would have existed had no accident occurred.
- 5. "Period of Restoration" means the period. of time that:
  - a. Begins at the time of the commencement of liability; and
  - b. Ends on the date when the damaged property at the described "location" is repaired or replaced.

"Period of Restoration" does not include any increased time period required by, caused by or resulting from enforcement of any item cited by the Ordinance or Law exclusion in the Boiler and Machinery Coverage Form.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	28 of 36
		POLICY & FORMS				

**POLICY NUMBER:**

**BOILER AND MACHINERY  
BM 15 28 06 95**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONSEQUENTIAL DAMAGE

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE FORM

### SCHEDULE\*

**Location(s)** All properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including but not limited to locations identified in the Schedule of Locations on file with the State of Louisiana, Office of Risk Management (ORM)

Limit of Loss	(See Declaration Page)	Dollars (\$_____)
Deductible	(See Declaration Page)	Dollars (\$_____)
Coinsurance	(Waived)	(_____%)

Specified Property

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\*Information required to complete this schedule, if not shown on this endorsement, will be shown in the Declarations.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	29 of 36
		POLICY & FORMS				

## A. COVERAGE

1. We will pay you for "Consequential Damage" to "Specified Property" that is caused solely by an "accident" to an "object", provided all of the following requirements are met:
  - a. The "accident" must occur during the time this coverage is in force;
  - b. The "object" that has the "accident" must be:
    - (1) Specified as covered in the Consequential Damage Schedule;
    - (2) At a "location" specified in the Consequential Damage Schedule; and
    - (3) In use or connected ready for use.
2. We will also pay:
  - a. For loss to "Specified Property" of others for which you are legally liable; and
  - b. The reasonable expense incurred by you or us to reduce or avert "Consequential Damage". The amount we pay for that expense is limited to the amount that our payment under paragraphs 1. and 2.a. above is reduced

## B. EXCLUSIONS

1. All the exclusions of the Boiler and Machinery Coverage Form apply to loss and expense under this endorsement except:
 

Lack of power, light, heat, steam or refrigeration.
2. In addition, we will not pay for:
  - a. More than the actual cash value, at the time of the "accident", of your "Specified Property" damaged or destroyed, however caused. Actual cash value will include proper deductions for depreciation; or
  - b. Your failure to use due diligence and dispatch and all reasonable means to protect the "Specified Property" from damage following an "accident".

## C. DEDUCTIBLE

If a dollar deductible is shown in the Consequential Damage Schedule, we will not pay for loss or expense resulting from any "one accident" until the amount of loss or expense exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or expense in excess of the Deductible, up to the applicable Limit of Insurance. If more than one "object" is involved in "one accident", only the highest Deductible will apply.

## D. CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Boiler and Machinery Conditions:

### 1. Coinsurance.

We will not pay the full amount of your loss if the Limit of Loss at the time of the "accident" is less than the product of the Coinsurance percentage shown in the Consequential Damage Schedule times the actual cash value of all "Specified Property" at the "Location" where the "accident" occurs.

Instead, we will determine the most we will pay by using the following steps:

- a. Divide the Limit of Loss by the product of the Coinsurance percentage multiplied by the total actual cash value of all "Specified Property" at the time of the "accident".
- b. Multiply the total amount of the covered loss by the figure determined in, paragraph a., above.
- c. Subtract the applicable deductible from the amount determined in paragraph b., above.
- d. The resulting amount or the Limit of Loss for "Consequential Damage", whichever is less, is the most we will pay. We will not pay for the remainder of the loss.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	30 of 36
		POLICY & FORMS				

## 2. Payment Limits

Payment for loss or expense under this endorsement is subject to the following:

- a. Our total payment for any "one accident" for "Consequential Damage" or expenses will not exceed the Limit of Loss shown on the Consequential Damage Schedule. This Limit of Loss is not a part of the Limit of Insurance; it is a separate limit;
- b. Our payment will not increase if more than one insured is shown on the Declarations;
- c. Loss or expense under this endorsement from an "accident" that occurs during the time this coverage is in force may continue beyond the termination or expiration of this coverage. Our liability for that loss or expense is not limited by the termination or expiration.

## 3. Reducing Your Loss

As soon as possible after an "accident" you must make use of every available means to reduce or avert loss partially or completely, including:

- a. Merchandise or other property such as surplus machinery, duplicate parts, equipment, supplies and surplus or reserve stock you own, control or can obtain, and
- b. Salvaging "Specified Property".

## E. DEFINITIONS

1. "Consequential Damage" means loss due to spoilage from lack of power, light, heat, steam or refrigeration, resulting from an "accident".
2. "Location" means the premises at the address shown on the Consequential Damage Schedule.
3. "Specified property" means only the property described in the schedule of this endorsement.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	31 of 36
		POLICY & FORMS				

## BOILER AND MACHINERY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

### MORTGAGE HOLDERS

This endorsement modifies insurance provided under the following:

#### BOILER AND MACHINERY COVERAGE PART

- A.** The term - mortgage holder - includes trustee.
- B.** We will pay for direct damage to Covered Property due to an "accident" to an "Object" to you and each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- C.** The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the "object."
- D.** If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
  - 1.** Pays any premium due under this Coverage Part at our request if you have failed to do so;
  - 2.** Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
  - 3.** Has notified us of any change in ownership or material change in risk known to the mortgage holder.
- E.** If we pay the mortgage holder for any loss and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
  - 1.** The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
  - 2.** The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
- F.** If we cancel this policy, we will give written notice to the mortgage holder at least:
  - 1.** 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - 2.** 30 days before the effective date of cancellation if we cancel for any other reason.
- G.** If we do not renew this policy, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.
- H.** If we suspend coverage, it will also be suspended as respects the mortgage holder. We will give written notice of the suspension to the mortgage holder.

All of the terms of this Coverage Part will then apply directly to the mortgage holder.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	32 of 36
		POLICY & FORMS				

## BOILER AND MACHINERY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### IN USE OR CONNECTED READY FOR USE

This endorsement modifies insurance provided under the following:

#### BOILER AND MACHINERY COVERAGE FORM

Any "object" or part of an "object" that is being dismantled, reassembled, transported or is in storage, all while at the location specified for it in the Boiler and Machinery Coverage Form, will be considered as connected ready for use within the terms of the Coverage

Form. However, we will not pay for any "accident" to that "object" while the "object" is otherwise being worked upon, if the "accident" is a direct result of that work.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	33 of 36
		POLICY & FORMS				

## ALL PURPOSE ENDORSEMENT

Endorsement No.: A

### Changes

- 
1. It is agreed that coverage provided by the aforementioned policy is blanket and applies to all properties owned by the State of Louisiana or for which the State of Louisiana has assumed liability; including, but not limited to, locations identified in the Schedule of Locations and Values on file with the State of Louisiana, Office of Risk Management.
  2. The policy shall insure each named insured in the same manner as though a separate policy has been issued to each, but nothing contained herein shall operate to increase the company's liability as set forth elsewhere in this policy beyond the amount or amounts for which the company would have been liable if only one insured had been named, without the prior written approval of the named insured.

***All other terms and conditions of this policy remain unchanged.***

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	34 of 36
		POLICY & FORMS				

**ALL PURPOSE ENDORSEMENT**

**Endorsement No.: B**

### **Additional Insured**

**It is agreed that the following are additional insureds as respects this policy.**

- 1.** As regards the Cajun Dome located at 444  
Cajun Dome Boulevard, Lafayette, Louisiana  
70502

- ▶ City of Lafayette  
Post Office Box 4017-C  
Lafayette, Louisiana 70502

***All other terms and conditions of this policy remain unchanged.***



PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	35 of 36
		POLICY & FORMS				

All Purpose Endorsement

Endorsement No.: C

## Exclusions

***It is agreed that the following are excluded from the policy:***

- 1.** Louisiana State University Tiger Athletic Foundation
- 2.** New Orleans Museum of Art Building (located in New Orleans City Park).

**All other terms and conditions of this policy remain unchanged.**

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE B	*		*	
BM-09	*	UNDERLYING/SAMPLE	*	April 14, 2004	*	36 of 36
		POLICY & FORMS				

**All Purpose Endorsement**

**Endorsement No.: D**

## JOINT LOSS AGREEMENT

In the event of damage to or destruction of property, at a location designated in this Policy and also designated in a Property Insurance Policy and there is a disagreement between the Insurers with respect to:

- (1) whether such damage or destruction is insured against by this policy or by an accident insured against by such property insurance policy; or
- (2) the extent of participation of this policy and of such property insurance policy in a loss which is insured against, partially or wholly, by any one or all of said policies;

This Company shall, upon written request of the Insured, pay to the Insured one-half of the amount of the loss which is in disagreement, but in no event more than this Company would have paid if there had been no property insurance policy in effect, subject to the following conditions:

- (1) the amount of the loss which is in disagreement, after making provisions for any undisputed claims payable under the said policies and after the amount of the loss is agreed upon by the Insured and the companies is limited to the minimum amount remaining payable under either the property or this policy(ies);
- (2) the property insurance company shall simultaneously pay to the Insured at least one half of said amount which is in disagreement;

- (3) the payments by the companies hereunder and acceptance of the same by the Insured signify the agreement of the companies to submit to and proceed with arbitration within ninety days of such payments;

The arbitrators shall be three in number, one of whom shall be appointed by the property insurance company, one of whom shall be appointed by this Company, and the third of whom shall be appointed by consent of the other two; the decision by the arbitrators shall be binding on the companies and that judgment upon such award may be entered in any court of competent jurisdiction;

- (4) the Insured agrees to cooperate in connection with such arbitration but not to intervene therein;
- (5) the provisions shall not apply unless such other policy issued by the property insurance company is similarly endorsed;

acceptance by the Insured of sums paid pursuant to the provisions, including an arbitration award, shall not operate to alter, waive, surrender or in any way affect the rights of the Insured against any of the companies.